

Kentucky Agricultural Development Board

Meeting Minutes

October 19, 2001

The Kentucky Agricultural Development Board met on Friday, September 21, at 2:00 p.m. (Central time), in Ballroom C of the Warren County Convention Center, in Bowling Green. Commissioner Billy Ray Smith, Vice Chair, called the meeting to order and the secretary called the roll.

Members Present:

Donnie Laubheimer for Governor Paul E. Patton, Chairman; Commissioner Billy Ray Smith, Vice Chairman; John-Mark Hack, Executive Director; Vickie Yates Brown; Daniel Case; Larry Clay, Seth Conner, Susan Harkins; Wayne Hunt; Sam Lawson; Sam Moore; Willa Poynter; Eddie Sellers; Mike Slaughter; Dean Scott Smith; and Smith Mitchell for Secretary Gene Strong.

Guests:

James H. Ragland, Michelle McAfee, and Bobby Watts, Kentucky Dairy Meat Goat Assn., Charles Wolfe, The Associated Press; Brad Wellons, Legislative Research Commission; Sheri Arms, Deborah Webb, John Logan Brent, Tribby Vice, Pete Cashel, Pat Martin, and Ken and Mary Reese Mattingly, Community Farm Alliance; Miller Horn; B.R. Martin; Leonard Hounshell; Marvin Corn; Tonya Horn; Eddie Horn; Glen Devine; Martin Devine; Robert Eaves; Rosco Bulloch; Michael Jones; Garnett Owens; James Graves; Edward Hill; Howard Carney; A.O. Calico; Hugh Bittel; Ronnie Wells; Lisa Bittel; Heath Bittel; Frances and Bradley Brown, Burley Auction Warehouse Assn.; Cris Young, Mark Farrow, KDA; Jenks Britt, Western Kentucky University; Jack Clark; Carl Phelps; Russell Pierce; Laura Murell; Tony Brannon; Murray State University; Mayor Bob Hunt, Cave City; Don Horn; Bruce Cline; David Wimpy; Sharon Burton, Farmer's Pride; and Sara Dryden, Burley Tobacco Growers Cooperative.

Agricultural Development Board Staff Present:

David Bratcher, Penny Cline, Gordon Duke, Sandy Gardner, DeVon Hankins, Jeff Harper, Rhodes Johnston, Bill McCloskey, Chauncey Morris, Jeff Mosley, Joel Neaveill, and Lisa Thomas.

Notification of Media:

Commissioner Smith received confirmation from John-Mark Hack that a media release regarding the Agricultural Development Board (ADB) meeting was sent.

Minutes of August 17, 2001 Meeting:

The minutes were approved as presented.

Executive Director's Report:

Executive Director John-Mark Hack commended Commissioner Smith for being named Western Kentucky University Distinguished Alumni.

Mr. Hack reviewed the day's agenda.

The Director introduced Chauncey Morris. Mr. Morris joined the staff as a project analyst and will work on other special projects. Mr. Morris comes from the Kentucky Department of Agriculture. Mr. Hack advised that interviews are ongoing and that he hopes to fill the other vacancies soon.

Director Hack updated the Board activities since the September meeting. He stated that staff continues to meet with county councils, project applicants, and legislators, Department of Agriculture staff, and have attended numerous agriculturally related meetings across the state, legislative committee's and task forces. Relationships & communication with county leaders and the Kentucky General Assembly continue to improve.

Next, he discussed the progress on the long-term plan for agricultural and rural development. Mr. Hack advised that work on the plan continues. Other groups (KDA, UK, etc.) are assisting staff with the composition of various sections of the plan. He advised that once the draft was complete, it would be distributed widely and a series of regional meetings would be held. He advised that the completed plan would be submitted to the board at the December meeting

Development of the database is ongoing. Staff is working with the Governor's Office of Technology to finalize development of the database.

The Director welcomed KCADE staff member, Sandy Gardner back from a leave of absence and introduced the KCADE staff and which areas they are targeting. Sandy is the Educational Coordinator. DeVon Hankins is the Marketing Specialist. Bill McCloskey is focusing on Small Business Development, and Rhodes Johnston is working with the meat producers.

John-Mark Hack advised that the plans for the Kentucky Opportunity Marketplace, is progressing. The two-day conference scheduled for January 29 & 30, 2002, will be held at the Frankfort Civic Center. The conference will showcase ADB fund recipients; create opportunities for interaction with them by other agricultural entrepreneurs, and provide technical assistance in several different educational tracks. This conference is a cooperative effort between the

Governor's Office of Agricultural Policy, the Kentucky Department of Agriculture, the University of Kentucky College of Agriculture and numerous other collaborators.

Finally, Mr. Hack advised that a contract had been signed with a Louisville PR Firm. Creative Alliance will work with the Governor's Office of Agricultural Policy in promoting the accomplishments of the Agricultural Development Board, the Kentucky Opportunity Marketplace, and the Long-Term Plan.

Greenprint:

Pete Cashel & Tribby Vice, Community Farm Alliance presented "The Greenprint: A Long-Term Plan for Kentucky's Agricultural Economy." He advised that the Community Farm Alliance had developed this document and requested that the ADB consider this plan.

Introduction of Representative Roger Thomas:

Commissioner Smith introduced Representative Thomas. Representative was the primary sponsor of HB611; the legislation that created the ADB & the County Agricultural Development Councils.

Representative Thomas welcomed the ADB to Bowling Green. He thanked the members for their dedication and hard work.

Model County On-Farm Capital Improvement Program Proposal:

David Bratcher reviewed the draft document. There was discussion of the document. Commissioner Smith asked that members review the document and contact staff with any changes/suggestions. He advised that the document would be voted on at the November meeting.

Referral of Project Proposals:

Sam Moore moved with a second from Wayne Hunt that projects numbered 601 - 691 be referred to the Project Review Committee. The motion passed by voice vote.

Project Review Committees' Reports:

Sam Lawson & Vickie Yates Brown presented the Committees' reports. The Review Committees met on October 11th and 12th and made the following recommendations:

Approved Programs:

Sam Lawson stated that the Committee recommended funding for the following Cattle Genetics Improvement Programs:

Genetic Improvement Program

App #	County	Project Name	County Funds
545	Warren	Warren County Farm Bureau	\$51,000.00
549	Pendleton	Pendleton County Extension	\$100,000.00
635	Ohio	Green River Ohio Co. Beef IRM Committee	\$63,150.00
640	Simpson	Simpson Co. Cattlemen's Assoc.	\$26,000.00
643	Mercer	Mercer Co. Cattlemen's Association	\$103,000.00
5			\$343,150.00

Sam Lawson moved with a second from Susan Harkins that the board adopt the committee recommendations. The motion passed without objection.

Sam Lawson stated that the Committee recommended funding for the following Forage Improvement and Utilization Programs:

Forage Improvement Program

App #	County	Project Name	County Funds
186	Garrard	Garrard County Conservation District #7	\$20,000.00
542	Jessamine	Jessamine County Conservation District	\$153,000.00
554	Edmonson	Edmonson County Conservation District	\$106,000.00
560	Pulaski	Pulaski Co. Conservation District	\$50,000.00
569	Campbell	Campbell Co. Conservation District Board	\$15,965.00
599	Woodford	Woodford Co. Agriculture Advancement Council, Inc.	\$128,250.00
636	Ohio	Green River Ohio Co. Forage	\$52,500.00
7			\$525,715.00

Sam Lawson moved with a second from Sam Moore that the board adopt the committee recommendations. The motion passed without objection.

Sam Lawson stated that the Committee recommended funding for the following Cattle Handling Facility Cost Share Programs:

Cattle Handling Facilities Cost Share

App #	County	Project Name	County Funds
134	Fleming	Buffalo Trace ADD (Fleming)	\$105,000.00
409	Grant	Grant County Cattlemen's Association	\$10,000.00
544	Edmonson	Edmonson County Cattlemen's Association	\$47,500.00
559	Pulaski	Pulaski Co. Cattlemen's Assoc.	\$103,000.00
567	Campbell	Campbell Co. Cattle Assoc., Inc.	\$5,768.00
586	Barren	Barren Co. Cattlemen's Assoc., Inc.	\$205,000.00

App #	County	Project Name	County Funds
594	Green	Green County Cattleman's Association	\$202,800.00
600	Cumberland	Cumberland Co. Farm Bureau	\$40,000.00
637	Ohio	Green River - Ohio Co. - Cattle Handling	\$31,575.00
651	Hart	Hart County Cattlemen's Association	\$152,000.00
10			\$902,643.00

Sam Lawson moved with a second from Mike Slaughter that the board adopt the committee recommendations. The motion passed without objection.

Sam Lawson stated that the Committee recommended funding for the following Diversification Program:

Diversification Program

App #	County	Project Name	County Funds
652	Warren	Bowling Green Area Chamber of Commerce	\$150,000.00
1			\$150,000.00

Sam Lawson moved with a second from Susan Harkins that the board adopt the committee recommendations. The motion passed without objection.

Dean Smith asked if staff was communicating to County Agricultural Development Councils that they are either running low or are out of funds until the next payment is received. John-Mark Hack advised that staff was communicating with the Councils.

Projects Recommended for Funding:

Mr. Lawson advised that the Project Review Committee recommended that the following projects be approved for funding.

Project #329: Shelby County A&M Association

State Funds: \$0.00 County Funds: \$246,000.00

Sam Lawson moved with a second from Smith Mitchell to approve the reallocation of funds. The motion passed without objection.

Project #395: Franklin-Simpson Vocational Ag. Dept.

State Funds: \$0.00 County Funds: \$50,000.00

Vickie Yates Brown moved with a second from Wayne Hunt that the board adopt the committee's recommendation. The motion passed without objection.

Project #401: Eastern Kentucky Goat Producers Association

State Funds: \$0.00 County Funds: \$6,165.00

Vickie Yates Brown moved with a second from Mike Slaughter that the board adopt the committee's recommendation. The motion passed without objection.

Project #474: Harrison County Conservation District

State Funds: \$0.00 County Funds: \$2,800.00

Vickie Yates Brown moved with a second from Danny Case that the Board adopt the committee's recommendation. The motion passed without objection.

Project #512: Campbell Co. Cattle Assoc., Inc.

State Funds: \$0.00 County Funds: \$7,400.00

Vickie Yates Brown moved with a second from Seth Conner that the Board adopt the committee's recommendation. The motion passed without objection.

Project #150: Kentucky Beef Network \$700,000 State Funds

After discussion of the project, Commissioner Smith moved with Susan Harkins' second that the project be approved with the following condition: That the bank perform the initial collection proceedings against the defaulting party; and that the bank obtain a judgment & attempt garnishment proceedings before the guarantee of the Agricultural Development Fund could be called to repay the debt. The motion passed by voice vote.

Project #540: Woodburn-Richpond 4-H Club

State Funds: \$0.00 County Funds: \$5,200.00

Ms. Brown moved with a second from Danny Case that the Board adopt the committee's recommendation. The motion passed by voice vote.

Project #562: Christian Co. Grain, Inc.

State Funds: \$310,000.00 County Funds: \$0.00

Ms. Brown moved with a second from Eddie Sellers that the Board adopt the committee's recommendation. The motion passed by voice vote.

Project #564: Friends of Kentucky 4-H, Inc.

State Funds: \$2,000,000.00 County Funds: \$0.00

Mr. Lawson moved with a second from Sam Moore that the Board adopt the committee's recommendation. The motion passed by voice vote.

Project #565: Kentucky FFA Foundation, Inc.

State Funds: \$2,000,000.00 County Funds: \$0.00

Mr. Lawson moved with a second from Susan Harkins that the Board adopt the committee's recommendation. Commissioner Smith and Sam Moore abstained from voting citing potential conflict of interest. The motion passed by voice vote.

Project #580: Rex W. Cook

State Funds: \$0.00 County Funds: \$10,779.00.

Mr. Lawson moved with a second from Sam Moore that the Board adopt the committee's recommendation. The motion passed without objection.

Project #581: Appalachian Sweet Sorghum Marketing Assoc.

State Funds: \$0.00 County Funds: \$10,000.00

Mr. Lawson moved with a second from Susan Harkins that the Board adopt the committee's recommendation. The motion passed by voice vote.

Applications Recommended for No Funding:

Mr. Lawson stated that the Project Review Committee recommended no funding for the following projects:

App #	Project Name	County
25	Travis Coomer (Boyle)	Boyle
38	Monroe County Limousine Producers Assoc	Monroe
75	Justin Lovell (Muhlenberg)	Muhlenberg
83	R&J Skipworth Farm (Cumberland)	Cumberland
84	Franklin Farms (Cumberland)	Cumberland
172	James Roberts*	Green
195	Doug and Susan Schlosnagle	Shelby
219	Joel & Shelley Bales Turning Point Vineyard*	Nelson
262	Mack & Peggy Sears	Warren
284	Eddie McIntoch & Paul Neeley*	Owsley
309	Susan Bradley & Charles Daugherty*	Woodford
389	Metcalf County Enrichment Center Programs & Operations	Metcalf
426	Logan County Cattlemen's Association	Logan
463	City of Cave City	Allen
510	City of Cave City	Edmonson
518	Boyle County Animal Removal Program	Boyle
521	Marion Co. Community Farm Alliance	Marion
526	David Joe & Carla Hamilton	Bracken
539	Hart Co. Cattlemen's Assoc.	Hart
550	Boone-Sang Cooperative Assoc., Inc.	Powell
551	Joel B. & Shelley D. Bales	Nelson
553	Edmonson County Tourist and Convention Commission	Edmonson
557	Thoroughbred Alpaca	Shelby
563	Leo D. Bezold	Campbell

App #	Project Name	County
568	Randall Thomas and Roger Baker	Owsley
583	Warren Co. Ag. Dev. Council	Warren
597	Victoria Stommel	Cumberland

Sam Moore moved with a second from Willa Poynter to move #591 back to pending status. The motion passed by voice vote.

Mike Slaughter moved with a second from Eddie Sellers to move #585 back to pending status. The motion passed by voice vote.

Sam Lawson moved with a second from Danny Case that the Board adopt the committees' recommendation as amended. The motion passed without objection.

Discussion of Project #556:

Mike Slaughter discussed application #556. Mr. Slaughter moved that the application be brought out of Project Review Committee for discussion and possible consideration.

Vickie Yates Brown clarified that a "no" vote would keep the project in pending status.

Wayne Hunt moved with a second from Sam Moore that the motion be amended to keep the project in pending status and review it further in coordination with the Legislative Research Commission's Tobacco Task Force Study.

The motion as amended passed by roll call vote with 8 yea votes by Vickie Yates Brown, Seth Conner, Wayne Hunt, Sam Lawson, Sam Moore, Commissioner Billy Ray Smith, Smith Mitchell, designee for Secretary Gene Strong, and Donnie Laubheimer designee for Governor Paul Patton and 7 nay votes from Danny Case, Larry Clay, Susan Harkins, Willa Poynter, Eddie Sellers, Mike Slaughter, and Dean Scott Smith.

Sam Moore moved with a second from Susan Harkins that the Project Review Committee meet as soon as possible, in a special called meeting to address the project.

Mike Slaughter moved that the motion be amended that the Project Review Committee meet immediately upon adjournment of the Agricultural Development Board Meeting.

At the request of Commissioner Smith, Mark Farrow, General Counsel for the Kentucky Department of Agriculture opined that holding a project review committee meeting upon adjournment could be in violation of the notice

provisions of the open meetings law. Statements were then made about recessing the meeting to allow the committee to discuss the project. However, it was unclear if the committee could meet without violating the notice of provisions of the open meetings law.

Mike Slaughter amended his motion to state that the ADB should recess to allow a meeting of the Project Review Committee to discuss the project.

There was lengthy discussion of the amended motion. Mr. Lawson stated that everyone wants to keep the price support system intact and that no one is opposed to discussion of the project & that the project should be discussed. There was no objection.

Mr. Slaughter withdrew his motion.

Mr. Moore withdrew his motion.

There was discussion and testimony of the project proposal. Mike Slaughter moved with a second from Seth Conner that the project review committee meet the following week and that the full ADB meet the week after to further address this project. The motion passed by voice vote.

With no further business the meeting adjourned at 6:20p.m. Central time.